

2007 Procurement Training
for
State and County Purchasing Personnel

Emergency Procurements

HRS Section 103D-307

HAR Chapter 3-122 Subchapter 10

What are Emergency Procurements?

- ◆ Emergency procurements could be the most difficult for agencies to justify and handle. Bona-fide emergency purchases are understandable when they are made to protect the public health of citizens or when immediate repair is necessary to prevent further damage to public and/or private property.

- ◆ However, expedited purchases because of poor planning, overlooked requirements, inaccurate usage history, or incorrect forecasting may result in emergency situations but they should not be resolved utilizing emergency procurements.
- ◆ Emergency procurements are not intended to serve as a “fix it” for poor management and agencies should emphasize the need to correct such practices.

What are Emergency Procurements?

- ◆ An Emergency Procurement is a good, service, or construction essential to meet an emergency when the following conditions exist:
 1. A situation of an unusual or compelling urgency creates a threat to life, public health, welfare, or safety by reason of major natural disaster, epidemic, riot, fire, or such other reason as may be determined by the head of the purchasing agency;

2. The emergency condition generates an immediate and serious need for goods, services, or construction that cannot be met through normal procurement methods and the government would be seriously injured if the purchasing agency is not permitted to employ the means it proposes to use to obtain the goods, services, or construction; and

3. Without the needed goods, services, or construction, the continued functioning of government, the preservation or protection of irreplaceable property, or the health and safety of any person will be seriously threatened.

Emergency procurements?

A large rockfall occurred which closed Kamehameha Highway in the vicinity of Waimea Bay. Services requested include rock scaling, debris removal, pavement repairs, lighting repair, and repair of a rock catchment system. Based on this, was this an appropriate emergency procurement?

Emergency procurements?

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Yes, but the scope of work is limited to making repairs to those areas where failure to take appropriate action would pose a safety hazard to the general public.

Emergency procurements?

An agency requests after-the-fact approval for repair of a 12-inch waterline at the Young Brothers Ltd. Pier. It is used for fire protection. Work to include locating the leak in the 12-inch line, sawcutting the existing concrete slab, backfill with CLSM, and repair the concrete slab. Is this an appropriate emergency procurement?

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Yes, SPO approved based on an increased life safety threat at the pier should there be a fire incident requiring the use of that 12-inch water line.

Emergency procurements?

Contract for a real estate development consultant to accomplish Act 288, SLH2006. Included are real estate development services required to acquire and evaluate development options in order to preserve affordable rental housing at the Kukui Gardens Project, inclusive of site assessments, appraisals, financial feasibility studies, and broker services. Was this an appropriate emergency procurement?

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No, request does not meet criteria for emergency procurement. The agency may choose to submit an SPO Form 7-Exemption from HRS Chapter 103D.

Emergency Procurements?

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No action required. Services should be requested as a procurement violation.

What cannot be considered for emergency procurement?

1. A situation that has been ongoing but needs immediate attention due lack of proper maintenance, agency's non-responsiveness to correct the situation or problem or poor budgetary planning for repair, maintenance and/or upgrading;
2. Potential loss of funds at the end of a fiscal year.

Requirements for an Emergency Procurement

1. It must be as a result of a situation that was unforeseen or unanticipated and meet one of the prior listed situations.
2. The approval of the Chief Procurement Officer must be obtained as soon as practicable. The SPO Form 2 shall be the method of obtaining CPO approval and be submitted as soon as it is practicable. CPO approval of an emergency procurement may be obtained “prior to” or as an “after-the-fact” emergency procurement.

3. Emergency procurements may be utilized only to purchase the immediate needs for the emergency and not subsequent non-emergency requirements.
4. Small purchases are not subject to emergency procurement procedures.

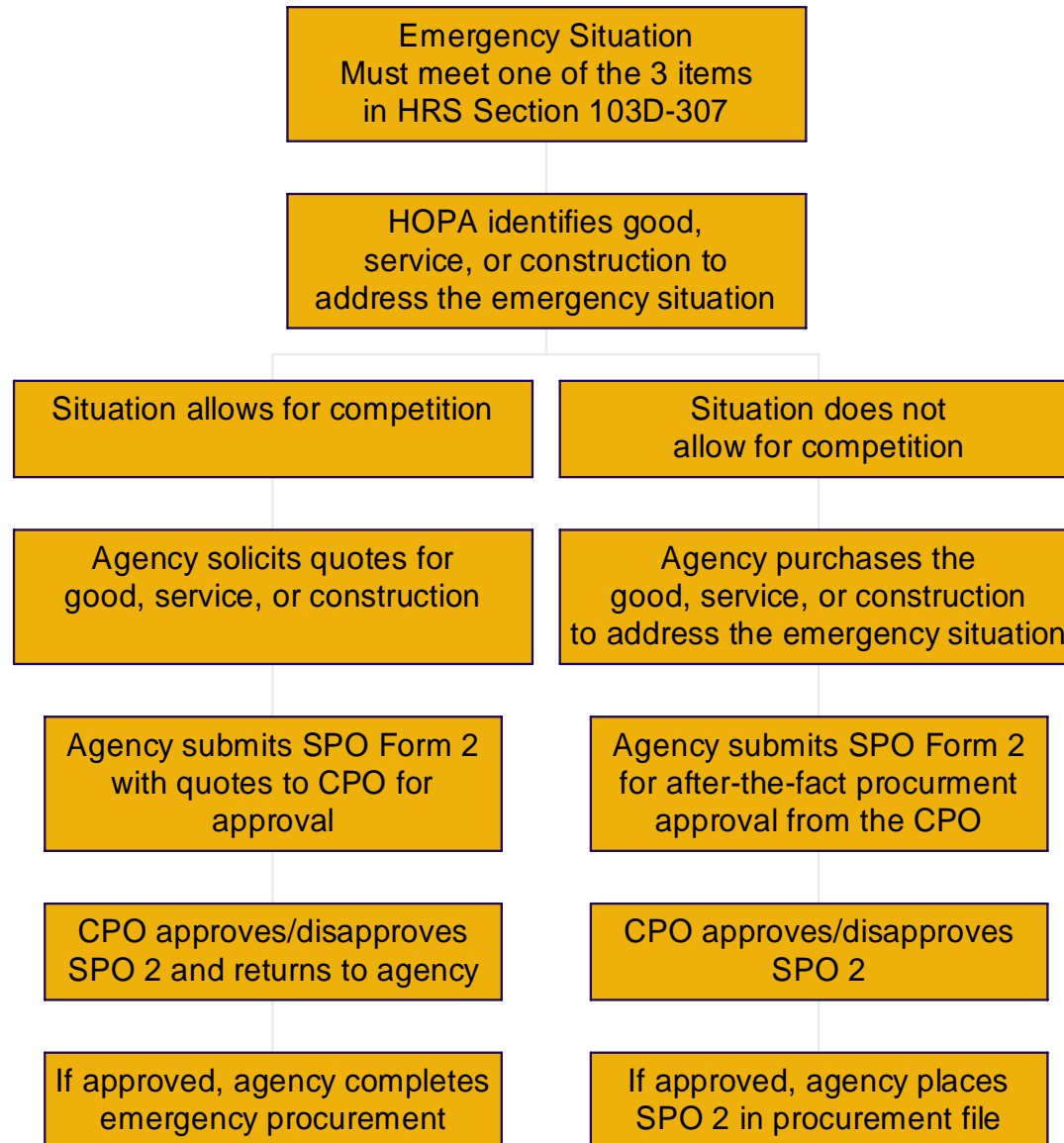
Procedures for Emergency Procurement

- ◆ Prior to the procurement or if time does not permit, as soon as practicable thereafter, the head of the purchasing agency responsible for the emergency procurement shall submit a SPO Form 2 requesting the approval from the Chief Procurement Officer. The information shall include but not be limited to:
 1. Nature of the emergency;
 2. Name of the contractor;

3. Amount of the expenditure;
4. Listing of the good, service, or construction;
and
5. Competition shall be obtained as practicable to assure that the good, service, or construction is procured in time to meet the emergency.

As soon as it is practicable, a confirming purchase order must be prepared. The purchase order shall include in detail any agreements, including price, made orally with the contractor.

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STATE PROCUREMENT OFFICE
EMERGENCY PROCUREMENT REQUEST

1. TO: Chief Procurement Officer

2. FROM: [Redacted]

Department/Division/Agency

Pursuant to §103D-307, HRS, and Subchapter 10, Chapter 3-122, HAR, the Department requests approval for the following:

3. Date [Redacted]

4. After the fact ☐ YES ☐ NO

5. Nature of the Emergency

[Redacted]

6. Vendor:

Address:

[Redacted]

7. Price:

[Redacted]

8. Description of goods, services, or construction to be purchased

[Redacted]

9. Reason for Vendor Selection

[Redacted]

10. Direct questions to:

[Redacted]

Phone:

[Redacted]

11. *I certify that the information provided above is to the best of my knowledge, true and correct.*

Department Head or Designee

Date

Reserved for SPO Use Only

12. Chief Procurement Officer's comments:

[Redacted]

13.



APPROVED



DISAPPROVED

Chief Procurement Officer

Date

14. E.P.No. _____

Procurement Transparency

- ◆ The SPO currently posts all SPO Form 2 at:
<http://www.hawaii.gov/spo2/source/>
- ◆ Executive Branch Agencies are required to post emergency small purchase procurements \$2,500 or more on the PRS at:
<http://www.hawaii.gov/spo2/manage/login.php>